

by provisions of the Omnibus Reconciliation Act of 1993 or any other provision of law.

SEC. 3. *Requirement for the President To Report Annually on the Status of the Fund.* The Director of the Office of Management and Budget shall include in the President's Budget transmitted under section 1105 of title 31, United States Code, information about the Deficit Reduction Fund, including a separate statement of amounts in and Federal debt redeemed by that Fund.

SEC. 4. *Implementation.* The Secretary of the Treasury and the Director of the Office of Management and Budget shall each take such actions as may be necessary, within their respective authorities, promptly to carry out this order.

SEC. 5. *Effective Date.* This order shall take effect upon enactment of the Omnibus Budget Reconciliation Act of 1993 [Aug. 10, 1993].

WILLIAM J. CLINTON.

## § 901. Enforcing discretionary spending limits

### (a) Enforcement

#### (1) Sequestration

Within 15 calendar days after Congress adjourns to end a session there shall be a sequestration to eliminate a budget-year breach, if any, within any category.

#### (2) Eliminating a breach

Each non-exempt account within a category shall be reduced by a dollar amount calculated by multiplying the enacted level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach within that category.

#### (3) Military personnel

If the President uses the authority to exempt any personnel account from sequestration under section 905(f) of this title, each account within subfunctional category 051 (other than those military personnel accounts for which the authority provided under section 905(f) of this title has been exercised) shall be further reduced by a dollar amount calculated by multiplying the enacted level of non-exempt budgetary resources in that account at that time by the uniform percentage necessary to offset the total dollar amount by which outlays are not reduced in military personnel accounts by reason of the use of such authority.

#### (4) Part-year appropriations

If, on the date specified in paragraph (1), there is in effect an Act making or continuing appropriations for part of a fiscal year for any budget account, then the dollar sequestration calculated for that account under paragraphs (2) and (3) shall be subtracted from—

(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

(B) when a full-year appropriation for that account is enacted, from the amount otherwise provided by the full-year appropriation for that account.

#### (5) Look-back

If, after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach within a category for that year (after taking into account any sequestration of

amounts within that category), the discretionary spending limits for that category for the next fiscal year shall be reduced by the amount or amounts of that breach.

### (6) Within-session sequestration

If an appropriation for a fiscal year in progress is enacted (after Congress adjourns to end the session for that budget year and before July 1 of that fiscal year) that causes a breach within a category for that year (after taking into account any prior sequestration of amounts within that category), 15 days later there shall be a sequestration to eliminate that breach within that category following the procedures set forth in paragraphs (2) through (4).

### (7) Estimates

#### (A) CBO estimates

As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new budget authority and outlays for the current year, if any, and the budget year provided by that legislation.

#### (B) OMB estimates and explanation of differences

Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing both the CBO and OMB estimates of the amount of discretionary new budget authority for the current year, if any, and the budget year provided by that legislation, and an explanation of any difference between the 2 estimates. If during the preparation of the report OMB determines that there is a significant difference between OMB and CBO, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation shall include, to the extent practicable, written communication to those committees that affords such committees the opportunity to comment before the issuance of the report.

#### (C) Assumptions and guidelines

OMB estimates under this paragraph shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the Committees on the Budget of the House of Representatives and the Senate, CBO, and OMB.

#### (D) Annual appropriations

For purposes of this paragraph, amounts provided by annual appropriations shall include any discretionary appropriations for the current year, if any, and the budget year

in accounts for which funding is provided in that legislation that result from previously enacted legislation.

**(b) Adjustments to discretionary spending limits**

**(1) Concepts and definitions**

When the President submits the budget under section 1105 of title 31, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect changes in concepts and definitions. Such changes shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions, minus those levels using the concepts and definitions in effect before such changes. Such changes may only be made after consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate, and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.

**(2) Sequestration reports**

When OMB submits a sequestration report under section 904(e), (f), or (g) of this title for a fiscal year, OMB shall calculate, and the sequestration report and subsequent budgets submitted by the President under section 1105(a) of title 31 shall include<sup>1</sup> adjustments to discretionary spending limits (and those limits as adjusted) for the fiscal year and each succeeding year, as follows:

**(A) Emergency appropriations; overseas contingency operations/global war on terrorism**

If, for any fiscal year, appropriations for discretionary accounts are enacted that—

(i) the Congress designates as emergency requirements in statute on an account by account basis and the President subsequently so designates, or

(ii) the Congress designates for Overseas Contingency Operations/Global War on Terrorism in statute on an account by account basis and the President subsequently so designates,

the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements or for Overseas Contingency Operations/Global War on Terrorism, as applicable.

**(B) Continuing disability reviews and redeterminations**

(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for continuing disability reviews under titles II and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.], for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation

units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys, then the adjustments for that fiscal year shall be the additional new budget authority provided in that Act for such expenses for that fiscal year, but shall not exceed—

(I) for fiscal year 2012, \$623,000,000 in additional new budget authority;

(II) for fiscal year 2013, \$751,000,000 in additional new budget authority;

(III) for fiscal year 2014, \$924,000,000 in additional new budget authority;

(IV) for fiscal year 2015, \$1,123,000,000 in additional new budget authority;

(V) for fiscal year 2016, \$1,166,000,000 in additional new budget authority;

(VI) for fiscal year 2017, \$1,546,000,000 in additional new budget authority;

(VII) for fiscal year 2018, \$1,462,000,000 in additional new budget authority;

(VIII) for fiscal year 2019, \$1,410,000,000 in additional new budget authority;

(IX) for fiscal year 2020, \$1,309,000,000 in additional new budget authority; and

(X) for fiscal year 2021, \$1,302,000,000 in additional new budget authority.

(ii) As used in this subparagraph—

(I) the term “continuing disability reviews” means continuing disability reviews under sections 221(i) and 1614(a)(4) of the Social Security Act [42 U.S.C. 421(i), 1382c(a)(4)], including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity;

(II) the term “redetermination” means redetermination of eligibility under sections 1611(c)(1) and 1614(a)(3)(H) of the Social Security Act [42 U.S.C. 1382(c)(1), 1382c(a)(3)(H)]; and

(III) the term “additional new budget authority” means the amount provided for a fiscal year, in excess of \$273,000,000, in an appropriation Act and specified to pay for the costs of continuing disability reviews, redeterminations, co-operative disability investigation units, and fraud prosecutions under the heading “Limitation on Administrative Expenses” for the Social Security Administration.

**(C) Health care fraud and abuse control**

(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for the health care fraud abuse control program at the Department of Health and Human Services (75-8393-0-7-571), then the adjustments for that fiscal year shall be the amount of additional new budget authority provided in that Act for such program for that fiscal year, but shall not exceed—

(I) for fiscal year 2012, \$270,000,000 in additional new budget authority;

(II) for fiscal year 2013, \$299,000,000 in additional new budget authority;

(III) for fiscal year 2014, \$329,000,000 in additional new budget authority;

<sup>1</sup> So in original. Probably should be followed by a comma.

(IV) for fiscal year 2015, \$361,000,000 in additional new budget authority;

(V) for fiscal year 2016, \$395,000,000 in additional new budget authority;

(VI) for fiscal year 2017, \$414,000,000 in additional new budget authority;

(VII) for fiscal year 2018, \$434,000,000 in additional new budget authority;

(VIII) for fiscal year 2019, \$454,000,000 in additional new budget authority;

(IX) for fiscal year 2020, \$475,000,000 in additional new budget authority; and

(X) for fiscal year 2021, \$496,000,000 in additional new budget authority.

(ii) As used in this subparagraph, the term “additional new budget authority” means the amount provided for a fiscal year, in excess of \$311,000,000, in an appropriation Act and specified to pay for the costs of the health care fraud and abuse control program.

#### **(D) Disaster funding**

(i) If, for fiscal years 2012 through 2021, appropriations for discretionary accounts are enacted that Congress designates as being for disaster relief in statute, the adjustment for a fiscal year shall be the total of such appropriations for the fiscal year in discretionary accounts designated as being for disaster relief, but not to exceed the total of—

(I) the average funding provided for disaster relief over the previous 10 years, excluding the highest and lowest years; and

(II) the amount, for years when the enacted new discretionary budget authority designated as being for disaster relief for the preceding fiscal year was less than the average as calculated in subclause (I) for that fiscal year, that is the difference between the enacted amount and the allowable adjustment as calculated in such subclause for that fiscal year.

(ii) OMB shall report to the Committees on Appropriations and Budget in each House the average calculated pursuant to clause (i)(II), not later than 30 days after August 2, 2011.

(iii) For the purposes of this subparagraph, the term “disaster relief” means activities carried out pursuant to a determination under section 5122(2) of title 42.

(iv) Appropriations considered disaster relief under this subparagraph in a fiscal year shall not be eligible for adjustments under subparagraph (A) for the fiscal year.

#### **(c) Discretionary spending limit**

As used in this subchapter, the term “discretionary spending limit” means—

(1) for fiscal year 2014—

(A) for the revised security category, \$520,464,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$491,773,000,000 in new budget authority;

(2) for fiscal year 2015—

(A) for the revised security category, \$521,272,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$492,356,000,000 in new budget authority;

(3) for fiscal year 2016—

(A) for the revised security category, \$548,091,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$518,491,000,000 in new budget authority;

(4) for fiscal year 2017—

(A) for the revised security category, \$551,068,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$518,531,000,000 in new budget authority;

(5) for fiscal year 2018—

(A) for the revised security category, \$603,000,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$553,000,000,000 in new budget authority;

(6) for fiscal year 2019—

(A) for the revised security category, \$616,000,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$566,000,000,000 in new budget authority;

(7) for fiscal year 2020—

(A) for the revised security category, \$630,000,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$578,000,000,000 in new budget authority; and

(8) for fiscal year 2021—

(A) for the revised security category, \$644,000,000,000 in new budget authority; and

(B) for the revised nonsecurity category, \$590,000,000,000 in new budget authority;

as adjusted in strict conformance with subsection (b).

(Pub. L. 99–177, title II, §251, Dec. 12, 1985, 99 Stat. 1063; Pub. L. 100–119, title I, §102(a), Sept. 29, 1987, 101 Stat. 754; Pub. L. 100–203, title VIII, §8003(f), Dec. 22, 1987, 101 Stat. 1330–282; Pub. L. 101–508, title XIII, §13101(a), (e)(2), Nov. 5, 1990, 104 Stat. 1388–577, 1388–593; Pub. L. 103–66, title XIV, §14002(c)(1), Aug. 10, 1993, 107 Stat. 683; Pub. L. 103–87, title V, §571, Sept. 30, 1993, 107 Stat. 971; Pub. L. 103–306, title V, §562, Aug. 23, 1994, 108 Stat. 1649; Pub. L. 103–354, title I, §119(d)(1), Oct. 13, 1994, 108 Stat. 3208; Pub. L. 104–121, title I, §103(b), Mar. 29, 1996, 110 Stat. 848; Pub. L. 104–193, title II, §211(d)(5)(B), Aug. 22, 1996, 110 Stat. 2191; Pub. L. 104–208, div. A, title I, §101(c) [title V, §577], Sept. 30, 1996, 110 Stat. 3009–121, 3009–169; Pub. L. 105–33, title X, §10203(a), (b), Aug. 5, 1997, 111 Stat. 698, 701; Pub. L. 105–89, title II, §201(b)(1), Nov. 19, 1997, 111 Stat. 2125; Pub. L. 105–178, title VIII, §8101(a), (d), June 9, 1998, 112 Stat. 488, 490; Pub. L. 106–291, title VIII, §801(a), (b), Oct. 11, 2000, 114 Stat. 1026, 1027; Pub. L. 106–429, §101(a) [title VII, §701(a)], Nov. 6, 2000, 114 Stat. 1900, 1900A–64; Pub. L. 107–117, div. C, §101(a), Jan. 10, 2002, 115 Stat. 2341; Pub. L. 108–88, §10(a), (b), Sept. 30, 2003, 117 Stat. 1127; Pub. L. 108–310, §10(a), (b), Sept. 30, 2004, 118 Stat. 1160; Pub. L. 109–59, title VIII, §§8001(a), 8002, Aug. 10, 2005, 119 Stat. 1915, 1916; Pub. L. 112–25, title I, §101, Aug. 2, 2011, 125 Stat. 241; Pub. L. 112–240, title IX, §901(d)(1), Jan. 2, 2013, 126 Stat. 2370; Pub. L. 113–67, div. A, title I, §101(a), Dec. 26, 2013, 127 Stat. 1166; Pub. L. 114–74, title I, §101(a), title VIII, §815, Nov. 2, 2015, 129 Stat. 585, 604; Pub. L. 114–113, div. O, title X, §1003, Dec. 18, 2015, 129 Stat. 3035.)

## REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(2)(B)(i), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles II and XVI of the Act are classified generally to subchapters II (§401 et seq.) and XVI (§1381 et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

## CODIFICATION

Pub. L. 101-508, §13101(e)(2), redesignated former subsec. (a)(6)(I) of this section as section 257(e) of Pub. L. 99-177, which is classified to section 907(e) of this title.

## AMENDMENTS

2015—Subsec. (a)(7)(B). Pub. L. 114-113 substituted “both the CBO and OMB estimates of the amount of discretionary new budget authority” for “the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority and outlays”.

Subsec. (b)(2)(B)(i). Pub. L. 114-74, §815(1)(A), in introductory provisions, substituted “, for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys” for “and for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act”.

Subsec. (b)(2)(B)(i)(VI). Pub. L. 114-74, §815(1)(B), substituted “\$1,546,000,000” for “\$1,309,000,000”.

Subsec. (b)(2)(B)(i)(VII). Pub. L. 114-74, §815(1)(C), substituted “\$1,462,000,000” for “\$1,309,000,000”.

Subsec. (b)(2)(B)(i)(VIII). Pub. L. 114-74, §815(1)(D), substituted “\$1,410,000,000” for “\$1,309,000,000”.

Subsec. (b)(2)(B)(i)(X). Pub. L. 114-74, §815(1)(E), substituted “\$1,302,000,000” for “\$1,309,000,000”.

Subsec. (b)(2)(B)(ii)(I). Pub. L. 114-74, §815(2), inserted before semicolon “, including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity”.

Subsec. (b)(2)(B)(ii)(III). Pub. L. 114-74, §815(3), substituted “, redeterminations, co-operative disability investigation units, and fraud prosecutions” for “and redeterminations”.

Subsec. (c)(3), (4). Pub. L. 114-74, §101(a), added pars. (3) and (4) and struck out former pars. (3) and (4) which defined discretionary spending limits for fiscal years 2016 and 2017.

2013—Subsec. (c). Pub. L. 113-67 added pars. (1) to (8) and struck out former pars. (1) to (10) which defined discretionary spending limits for fiscal years 2012 to 2021.

Subsec. (c)(2), (3). Pub. L. 112-240 amended pars. (2) and (3) generally. Prior to amendment, pars. (2) and (3) read as follows:

“(2) with respect to fiscal year 2013—

“(A) for the security category, \$686,000,000,000 in new budget authority; and

“(B) for the nonsecurity category, \$361,000,000,000 in new budget authority;

“(3) with respect to fiscal year 2014, for the discretionary category, \$1,066,000,000,000 in new budget authority;”.

2011—Pub. L. 112-25 amended section generally. Prior to amendment, section related to enforcing discretionary spending limits.

2005—Subsec. (b)(1)(B) to (E). Pub. L. 109-59, §8002, reenacted heading of subpar. (B) without change and amended text of subpars. (B) to (E) generally. Prior to amendment, subpar. (B) provided for adjustments to align highway spending with revenues using amount of obligations set forth in section 8103 of the Transportation Equity Act for the 21st Century and estimates of receipts for fiscal years 1998 through 2003, subpar. (C)

provided for additional adjustments required in budget submissions for fiscal years 2000 through 2003, subpar. (D) provided for a final sequester report for fiscal year 1999 and an adjustment of estimates upon submission of the budget for fiscal years 2000 through 2003, and subpar. (E) required consultation with the Committees on the Budget and inclusion of a report on adjustments under subparagraphs (B) and (C) in the preview report.

Subsec. (c). Pub. L. 109-59, §8001(a), added pars. (1) to (5), redesignated former pars. (2) to (9) as (6) to (13), respectively, and struck out former par. (1) which read as follows: “with respect to fiscal year 2004—

“(A) for the highway category: \$31,834,000,000 in outlays;

“(B) for the mass transit category: \$1,462,000,000 in new budget authority and \$6,629,000,000 in outlays; and

“(C) for the conservation spending category: \$2,080,000,000, in new budget authority and \$2,032,000,000 in outlays;”.

2004—Subsec. (b)(2). Pub. L. 108-310, §10(a), which directed amendment of par. (2) by striking out “through 2002” in introductory provisions, could not be executed because the phrase “through 2002” did not appear subsequent to amendment by Pub. L. 108-88, §10(a). See 2003 Amendment note below.

Subsec. (c). Pub. L. 108-310, §10(b), which directed the amendment of subsec. (c) by redesignating par. (8) as par. (1), substituting “with respect to fiscal year 2005—” for “with respect to fiscal year 2005” and adding subpars. (A) and (B) in par. (1), redesignating remaining provisions of par. (1) as subpar. (C), redesignating pars. (9) to (16) as (2) to (9), respectively, and striking out former pars. (1) to (7), which defined “discretionary spending limit” with respect to fiscal years 2002 to 2006, either could not be executed or could not be executed as intended because of prior amendments by Pub. L. 108-88, §10(b). See 2003 Amendment notes below.

2003—Subsec. (b)(2). Pub. L. 108-88, §10(a), struck out “through 2002” after “succeeding year” in introductory provisions.

Subsec. (c)(1). Pub. L. 108-88, §10(b)(1), redesignated par. (8) as (1), substituted “with respect to fiscal year 2004—” for “with respect to fiscal year 2004”, added subpars. (A) and (B), redesignated remaining provisions of par. (1) as subpar. (C), and struck out former par. (1), which defined “discretionary spending limit” with respect to fiscal year 1997.

Subsec. (c)(2) to (16). Pub. L. 108-88, §10(b), redesignated pars. (9) to (16) as (2) to (9), respectively, and struck out former pars. (2) to (7), which defined “discretionary spending limit” with respect to fiscal years 1998 to 2003.

2002—Subsec. (c)(6)(A). Pub. L. 107-117, §101(a)(1), added subpar. (A) and struck out former subpar. (A) which read as follows: “for the discretionary category: \$551,074,000,000 in new budget authority and \$560,799,000,000 in outlays;”.

Subsec. (c)(6)(C). Pub. L. 107-117, §101(a)(2), struck out second “and” at end.

Subsec. (c)(6)(D). Pub. L. 107-117, §101(a)(3), substituted “\$1,473,000,000” for “\$1,232,000,000”.

2000—Subsec. (b)(2)(H). Pub. L. 106-291, §801(b), added subpar. (H).

Subsec. (c)(5)(A). Pub. L. 106-429 added subpar. (A) and struck out former subpar. (A) which read as follows: “for the discretionary category: \$542,032,000,000 in new budget authority and \$564,396,000,000 in outlays;”.

Subsec. (c)(6)(D). Pub. L. 106-291, §801(a)(1), added subpar. (D).

Subsec. (c)(7)(C). Pub. L. 106-291, §801(a)(2), added subpar. (C).

Subsec. (c)(8) to (16). Pub. L. 106-291, §801(a)(3), added pars. (8) to (16).

1998—Subsec. (b)(1). Pub. L. 105-178, §8101(d), designated existing provisions as subpar. (A), inserted heading, and added subpars. (B) to (E).

Subsec. (c)(3)(D), (E). Pub. L. 105-178, §8101(a)(1), added subpars. (D) and (E).

Subsec. (c)(4)(C), (D). Pub. L. 105-178, §8101(a)(2), added subpars. (C) and (D).

Subsec. (c)(5). Pub. L. 105-178, §8101(a)(3), substituted a dash for comma after “2001”, designated remaining provisions as subpar. (A), realigned margins, struck out “and” at end, and added subpars. (B) and (C).

Subsec. (c)(6). Pub. L. 105-178, §8101(a)(4), substituted a dash for comma after “2002”, designated remaining provisions as subpar. (A), realigned margins, and added subpars. (B) and (C).

Subsec. (c)(7). Pub. L. 105-178, §8101(a)(5), added par. (7).

1997—Subsec. (a). Pub. L. 105-33, §10203(a)(1), struck out “Fiscal Years 1991-1998” before “Enforcement” in heading.

Subsec. (a)(3). Pub. L. 105-33, §10203(a)(2), substituted “section 905(f)” for “section 905(h)” in two places.

Subsec. (a)(7). Pub. L. 105-33, §10203(a)(3), added par. (7) and struck out heading and text of former par. (7). Text read as follows: “As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation. Within 5 calendar days after the enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation, and an explanation of any difference between the two estimates. For purposes of this paragraph, amounts provided by annual appropriations shall include any new budget authority and outlays for those years in accounts for which funding is provided in that legislation that result from previously enacted legislation. Those OMB estimates shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph for the purposes of this subsection. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.”

Subsec. (b). Pub. L. 105-33, §10203(a)(4), added subsec. (b) and struck out heading and text of former subsec. (b) which provided that when the President submitted the budget for a budget year from 1992 to 1998, OMB was to calculate, and the budget was to include, adjustments to discretionary spending limits reflecting certain enumerated factors and provided that when OMB submitted a sequestration report for a fiscal year from 1991 to 1998, OMB was to calculate, and the sequestration report and subsequent budgets were to include, adjustments to discretionary spending limits reflecting certain enumerated factors.

Subsec. (b)(2)(G). Pub. L. 105-89 added subpar. (G).

Subsec. (c). Pub. L. 105-33, §10203(b), added subsec. (c).

1996—Subsec. (b)(2)(G). Pub. L. 104-208 substituted “fiscal years 1994, 1995, and 1997” for “fiscal year 1994 and 1995” in two places.

Subsec. (b)(2)(H). Pub. L. 104-121 added subpar. (H).

Subsec. (b)(2)(H)(i). Pub. L. 104-193, §211(d)(5)(B)(i), substituted “\$175,000,000” for “\$25,000,000” and “\$310,000,000” for “\$160,000,000” in subcl. (II), and “\$245,000,000” for “\$145,000,000” and “\$470,000,000” for “\$370,000,000” in subcl. (III).

Subsec. (b)(2)(H)(ii)(I). Pub. L. 104-193, §211(d)(5)(B)(ii), amended subcl. (I) generally. Prior to amendment, subcl. (I) read as follows: “the term ‘continuing disability reviews’ has the meaning given such term by section 401(g)(1)(A) of title 42.”

1994—Subsec. (b)(2)(D)(i). Pub. L. 103-354 inserted at end “This subparagraph shall not apply to appropriations to cover agricultural crop disaster assistance.”

Subsec. (b)(2)(G). Pub. L. 103-306 substituted “1994 and 1995” for “1994” in two places.

1993—Subsec. (a). Pub. L. 103-66, §14002(c)(1)(A), substituted “1998” for “1995” in heading.

Subsec. (b)(1). Pub. L. 103-66, §14002(c)(1)(B)(i), in introductory provisions, substituted “1995, 1996, 1997, or 1998” for “or 1995” and “outyear through 1998” for “out-year through 1995”.

Subsec. (b)(1)(B)(iii). Pub. L. 103-66, §14002(c)(1)(B)(ii), added cl. (iii).

Subsec. (b)(2). Pub. L. 103-66, §14002(c)(1)(B)(iii), in introductory provisions, substituted “1995, 1996, 1997, or 1998” for “or 1995” and “year through 1998” for “year through 1995”.

Subsec. (b)(2)(D)(i). Pub. L. 103-66, §14002(c)(1)(B)(iv), substituted “for any fiscal year,” for “for fiscal year 1991, 1992, 1993, 1994, or 1995.”

Subsec. (b)(2)(E)(iv). Pub. L. 103-66, §14002(c)(1)(B)(v), added cl. (iv).

Subsec. (b)(2)(F). Pub. L. 103-66, §14002(c)(1)(B)(vi), inserted before period at end “, and not to exceed 0.5 percent of the adjusted discretionary [sic] spending limit on outlays for the fiscal year in fiscal year 1996, 1997, or 1998”.

Subsec. (b)(2)(G). Pub. L. 103-87 added subpar. (G).

1990—Pub. L. 101-508, §13101(a), amended section generally, substituting subsecs. (a) and (b) relating to enforcement of discretionary spending limits for former subsecs. (a) to (e) relating to reporting of excess deficits.

Subsec. (a)(6)(I). Pub. L. 101-508, §13101(e)(2), redesignated subsec. (a)(6)(I) of this section as section 907(e) of this title.

1987—Pub. L. 100-119 amended section generally, substituting provisions consisting of subsecs. (a) to (e) relating to reports by Director of CBO to Director of OMB and to Congress and by Director of OMB to President and Congress for provisions consisting of subsecs. (a) to (g) relating to joint reports by Directors of CBO and OMB to Comptroller General and report by Comptroller General to President and Congress.

Subsec. (a)(6)(B). Pub. L. 100-203, §8003(f), struck out “and” before “contract authority” and inserted provision whereby the authority to provide insurance through the Federal Housing Administration Fund be continued.

#### EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105-89, set out as a note under section 622 of Title 42, The Public Health and Welfare.

#### EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103-354, title I, §119(d)(1), Oct. 13, 1994, 108 Stat. 3208, provided that the amendment made by that section is effective Jan. 1, 1995.

#### ADJUSTMENT FOR ROUNDING

Pub. L. 106-429, §101(a) [title VII, §701(c)], Nov. 6, 2000, 114 Stat. 1900, 1900A-64, provided for adjustments for rounding.

Pub. L. 106-113, div. B, §1000(a)(5) [title III, §307], Nov. 29, 1999, 113 Stat. 1536, 1501A-306, provided for adjustments for rounding.

#### OFFSETTING ADJUSTMENT IN DISCRETIONARY SPENDING LIMITS

Pub. L. 105-178, title VIII, §8101(b), June 9, 1998, 112 Stat. 489, as amended by Pub. L. 105-206, title IX, §9013(a), July 22, 1998, 112 Stat. 865, provided adjustments of nondefense category for fiscal year 1999, discretionary category for fiscal year 2000, and discretionary spending limits for fiscal years 2001 and 2002.

#### LEVEL OF OBLIGATION LIMITATIONS

Pub. L. 109-59, title VIII, §8003, Aug. 10, 2005, 119 Stat. 1917, as amended by Pub. L. 111-147, title IV, §446(a), (b), Mar. 18, 2010, 124 Stat. 95, 96; Pub. L. 111-322, title II, §2308, Dec. 22, 2010, 124 Stat. 3530; Pub. L. 112-5, title III, §308, Mar. 4, 2011, 125 Stat. 21, provided that:

“(a) HIGHWAY CATEGORY.—For the purposes of [former] section 251(b) of the Balanced Budget and

Emergency Deficit Control Act of 1985 [former 2 U.S.C. 901(b)], the level of obligation limitations for the highway category is—

- “(1) for fiscal year 2005, \$35,164,292,000;
- “(2) for fiscal year 2006, \$37,220,843,903;
- “(3) for fiscal year 2007, \$39,460,710,516;
- “(4) for fiscal year 2008, \$40,824,075,404;
- “(5) for fiscal year 2009, \$42,469,970,178;
- “(6) for fiscal year 2010, \$42,469,970,178; and
- “(7) for fiscal year 2011, \$42,469,970,178.

“(b) MASS TRANSIT CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

- “(1) for fiscal year 2005, \$7,646,336,000;
- “(2) for fiscal year 2006, \$8,622,931,000;
- “(3) for fiscal year 2007, \$8,974,775,000;
- “(4) for fiscal year 2008, \$9,730,893,000;
- “(5) for fiscal year 2009, \$10,338,065,000;
- “(6) for fiscal year 2010, \$10,338,065,000; and
- “(7) for fiscal year 2011, \$10,338,065,000.

For purposes of this subsection, the term ‘obligation limitations’ means the sum of budget authority and obligation limitations.”

Similar provisions for prior fiscal years were contained in the following prior act:

Pub. L. 105–178, title VIII, §8103, June 9, 1998, 112 Stat. 492, as amended by Pub. L. 108–88, §11(a), (b), Sept. 30, 2003, 117 Stat. 1128; Pub. L. 108–310, §11(a), (b), Sept. 30, 2004, 118 Stat. 1161.

### § 901a. Enforcement of budget goal

Discretionary appropriations and direct spending accounts shall be reduced in accordance with this section as follows:

#### (1) Calculation of total deficit reduction

OMB shall calculate the amount of the deficit reduction required by this section for each of fiscal years 2013 through 2021 by—

- (A) starting with \$1,200,000,000,000;
- (B) subtracting the amount of deficit reduction achieved by the enactment of a joint committee bill, as provided in section 401(b)(3)(B)(i)(II) of the Budget Control Act of 2011;
- (C) reducing the difference by 18 percent to account for debt service;
- (D) dividing the result by 9; and
- (E) for fiscal year 2013, reducing the amount calculated under subparagraphs (A) through (D) by \$24,000,000,000.

#### (2) Allocation to functions

On March 1, 2013, for fiscal year 2013, and in its sequestration preview report for fiscal years 2014 through 2021 pursuant to section 904(c) of this title, OMB shall allocate half of the total reduction calculated pursuant to paragraph (1) for that year to discretionary appropriations and direct spending accounts within function 050 (defense function) and half to accounts in all other functions (nondefense functions).

#### (3) Defense function reduction

OMB shall calculate the reductions to discretionary appropriations and direct spending for each of fiscal years 2013 through 2021 for defense function spending as follows:

##### (A) Discretionary

OMB shall calculate the reduction to discretionary appropriations by—

- (i) taking the total reduction for the defense function allocated for that year under paragraph (2);

- (ii) multiplying by the discretionary spending limit for the revised security category for that year; and

- (iii) dividing by the sum of the discretionary spending limit for the security category and OMB’s baseline estimate of nonexempt outlays for direct spending programs within the defense function for that year.

##### (B) Direct spending

OMB shall calculate the reduction to direct spending by taking the total reduction for the defense function required for that year under paragraph (2) and subtracting the discretionary reduction calculated pursuant to subparagraph (A).

#### (4) Nondefense function reduction

OMB shall calculate the reduction to discretionary appropriations and to direct spending for each of fiscal years 2013 through 2021 for programs in nondefense functions as follows:

##### (A) Discretionary

OMB shall calculate the reduction to discretionary appropriations by—

- (i) taking the total reduction for nondefense functions allocated for that year under paragraph (2);
- (ii) multiplying by the discretionary spending limit for the revised nonsecurity category for that year; and
- (iii) dividing by the sum of the discretionary spending limit for the revised nonsecurity category and OMB’s baseline estimate of nonexempt outlays for direct spending programs in nondefense functions for that year.

##### (B) Direct spending

OMB shall calculate the reduction to direct spending programs by taking the total reduction for nondefense functions required for that year under paragraph (2) and subtracting the discretionary reduction calculated pursuant to subparagraph (A).

#### (5) Implementing discretionary reductions

##### (A) Fiscal year 2013

On March 1, 2013, for fiscal year 2013, OMB shall calculate and the President shall order a sequestration, effective upon issuance and under the procedures set forth in section 903(f) of this title, to reduce each account within the security category or nonsecurity category by a dollar amount calculated by multiplying the baseline level of budgetary resources in that account at that time by a uniform percentage necessary to achieve—

- (i) for the revised security category, an amount equal to the defense function discretionary reduction calculated pursuant to paragraph (3); and
- (ii) for the revised nonsecurity category, an amount equal to the nondefense function discretionary reduction calculated pursuant to paragraph (4).

##### (B) Fiscal years 2014–2021

Except as provided by paragraphs (10) and (11), on the date of the submission of its sequestration preview report for fiscal years